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GAS TRUNK LINE OF BRITISH COLUMBIA LTD.
1155 West Georgia Street, Vancouver, B. C.

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FOR IMMEDIATE RELEASE

August 23, 1960

Gas Trunk Line of British Columbia Ltd. announced today that construction will begin early in September on the first phase of a \$93 million natural gas pipeline system in northeastern British Columbia. The pipeline, to be completed in December, 1961, will deliver gas from the newly-discovered fields in the vicinity of Fort Nelson, B. C., to markets in southern British Columbia and the United States.

The 30-inch Trunk Line will extend 245 miles southward from Fort Nelson to connect with the existing Westcoast Transmission pipeline near Chetwynd, B. C. The Westcoast line presently serves southern British Columbia markets and exports surplus Canadian gas to the El Paso Natural Gas Company system which extends through the western U. S. as far south as Los Angeles.

Initial capacity of the new Trunk Line will be 350 million cubic feet per day and this can be increased to 650 million cubic feet with additional compression. The Trunk Line's deliveries to the Westcoast system, which is presently flowing upwards of 300 million cubic feet per day, will necessitate expansion of Westcoast's facilities. Two additional compressor stations, costing approximately \$25 million, will be built within the year to raise the capacity of Westcoast's main line to 660 million cubic feet per day. Engineering plans have been made to "loop" the Westcoast system in the near future and double its volume to more than one billion cubic feet.

Gas Trunk Line of British Columbia Ltd., a company incorporated under the laws of British Columbia, will be owned by producing companies presently active in the Fort Nelson area. Pacific Petroleum Ltd., a B. C. company which developed the first commercial gas and oil wells in the province and sponsored the Westcoast pipeline, is the sponsor of the Trunk Line project.

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In the first phase of the Trunk Line construction, to be completed this year, a series of extension pipelines will be laid at the southern end of the Trunk Line route. These extensions, costing approximately \$11 million, will eventually form part of the Trunk Line gathering system. One of the new lines, approximately 55 miles long, will extend into the Nig Creek, Laprise and East Laprise fields of British Columbia. Another line will extend 30 miles to the British Columbia-Alberta boundary. This extension will transport gas from British Columbia's Boundary Lake field and will be available to serve the adjoining areas of Alberta, where the Floral and Worsley fields are situated. These extensions will be "on stream" to the present Westcoast system in the coming winter.

Pipelaying on the main Trunk Line system will begin in the spring. Pipe orders already have been placed with Canadian steel mills. When construction reaches its peak level, it is expected that more than 1,200 men will be employed on the project.

From its junction with Westcoast near Chetwynd, B. C., the line will cross the Peace River and generally parallel the Alaska Highway to Fort Nelson. En route, it will gather gas from the Pocketknife, Lily and Klua Creek fields. At Fort Nelson, the main line will be connected to the Clarke Lake, Kotcho Lake and Petitot River fields. A scrubbing plant costing approximately \$19 million will be built in the Fort Nelson area to remove carbon dioxide and small sulphur impurities from the dry gas produced in these northern fields.

Following the prolific gas discoveries made in the general Fort Nelson area during the past two years, gas reserves in these northern fields are now estimated at 2.4 trillion cubic feet. With continued exploration and development, the reserves are expected to increase by 3.4 trillion cubic feet to 5.8 trillion cu. ft.

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The new Gas Trunk Line is part of a major pipeline construction and petroleum development program now under way in British Columbia. In the next year, the program will result in the expenditure of some \$225 million in the province and will provide jobs for at least two thousand persons.

In addition to the \$93 million Gas Trunk Line, the program includes these projects:

- 1) Construction of additional compressor stations on the present Westcoast main line, costing \$25 million.
- 2) Construction of the Alberta Natural Gas Co. Ltd. pipeline through southeastern B. C., which is now under way, at a cost of approximately \$40 million. Right-of-way is now being acquired and clearing operations will commence soon for this pipeline, to be owned in equal proportions by Westcoast Transmission, Alberta and Southern Gas Co. Ltd, and the public. It is estimated that more than 500 men will be employed on this project.
- 3) The largest drilling and exploration program in the history of British Columbia, which will see the drilling of between 150 and 175 wells in the province this winter at a total expenditure of approximately \$45 million.
- 4) Construction of gas distribution lines to serve communities in the Kootenay district and expansion of existing systems in interior B. C. Cost: approximately \$15 million.
- 5) Construction of an oil pipeline in northeastern B. C. by Trans-Prairie Pipelines, Ltd. This project, on which work will begin next week, involves an initial investment of \$5 million.

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